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| 8 | BEFORE THE | |
| 9 | CALIFORNIA STATE WATER RESOURCES CONTROL BOARD | |
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| 11 | HEARING IN THE MATTER OF | RESTORE THE DELTA'S RESPONSE TO |
| 12 | CALIFORNIA DEPARTMENT OF WATER RESOURCES AND UNITED STATES BUREAU OF RECLAMATION REQUEST FOR A CHANGE IN POINT OF DIVERSION FOR CALIFORNIA WATERFIX | SACRAMENTO VALLEY GROUP'S AND JOINING PARTIES' OBJECTIONS TO PROTESTANTS' WRITTEN TESTIMONY AND EXHIBITS |
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I. INTRODUCTION

Protestant Restore the Delta (RTD) filed its case in chief on September 1, 2016. In accordance with the State Water Resources Control Board's (Board) Pre-hearing Conference Ruling, issued on February 11, 2016, RTD has focused much of its witnesses' testimony on describing various environmental justice issues the Delta region faces. RTD's case in chief also includes testimony that responds directly to the Board's specific inquiries for this hearing, set forth in its October 30, 2015 Notice of Petition and Hearing and subsequent orders. Each of RTD's witness's testimony includes an explanation of that witness's competence to offer the testimony stated therein and contains verified facts based on the witness's personal knowledge. Despite RTD's testimony addressing the very issues this Board has identified as appropriate for Part 1, Sacramento Valley Group (SVG)¹ objects to portions of RTD's written testimony on the basis that it is either not relevant to the issues in Part 1 of this proceeding or on the basis the testimony lacks foundation and consists of improper legal opinion.

The Board explicitly determined that Part 1 of this proceeding would include addressing "human uses that extend beyond the strict definition of legal users of water, including... environmental justice concerns." (See California WaterFix Project Pre-hearing Conference Ruling (Feb. 11, 2016) at p. 10.) The Board also clarified that testimony should focus on issues pertaining to (1) whether the changes proposed in the Petition in effect initiate a new water right; and (2) whether the proposed changes would cause injury to any municipal, industrial or agricultural uses of water, including associated legal users of water. (See California WaterFix Hearing – Ruling on Written Testimony Outside the Scope of Part 1and other Procedural Matters (October 7, 2016) at p. 2.) In accordance with the Board's instructions, including its recent instruction to strike portions of the revised testimony of Tim Stroshane, issued on November 23, 2016, RTD has revised its

Witness Testimony and Exhibits. SVG was also joined in its Objections by the Cities of Folsom and

¹ SVG consists of numerous parties listed in its September 21, 2016 Objections to Protestants'

Roseville, Sacramento Suburban Water District, San Juan Water District, and the Yuba County Water Agency. (See Joinder in Sacramento Valley Group Objections to Written Testimony and Exhibits Submitted by Restore the Delta (Sept. 21, 2016).) The responses herein apply equally to the objections made by all SVG groups and their joining parties.

witness' testimony, and has withdrawn the testimony of Gary Mulcahy, Roger Mammon, and Xiuly Lo and submissions related to these witnesses' testimony as outside the scope of Part 1.

For the reasons stated herein, SVG's objections RTD's remaining testimony are unfounded and should be overruled.

II. LEGAL STANDARDS

This hearing is governed by Chapter 4.5 of the Administrative Procedure Act (Gov. Code, § 11400 et seq.); Board regulations (Cal. Code Regs., tit. 23, §§ 648-648.8); sections 801 to 805 of the Evidence Code; and section 11513 of the Government Code. (Cal. Code Regs., tit. 23, § 648(b).) The Board is not required to conduct adjudicative hearings according to the rules of evidence applicable in court proceedings. (Gov. Code, § 11513(c).) Instead, "[a]ny relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of evidence over objection in civil actions." (*Id.*) "Hearsay evidence may be used for the purpose of supplementing or explaining other evidence...." (Gov. Code § 11513(d).) The Board follows these relaxed standards because the Hearing Officers' expertise in water issues justifies its ability to make both legal and factual determinations.

As discussed below, RTD's testimony and exhibits fall squarely within the scope of evidence to be admitted in this proceeding, in accordance with the above standards.

III. ARGUMENT

In addition to the testimony of Gary Mulcahy, Xiuly Lo, and Roger Mammon, SVG objects to following testimony and exhibits submitted by RTD, which are no longer at issue following RTD's evidentiary revisions in response to the Board's rulings and instructions regarding the scope of Part 1 B: RTD-10 at pp. 2-5 (¶¶ 5-11), 21-24 (¶¶ 66-75), 48 (¶ 145).

The remaining objections asserted by SVG concern the following evidence that is still included in RTD's testimony and exhibits, notwithstanding its revisions in response to the Board's rulings: RTD-10 at pp. 9-11 (¶¶ 29-34), 19-20 (¶¶ 61-65), 49-51 (¶¶ 149-151); and RTD-131 (C-WIN Water Availability Analysis, 2012).

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A. The Testimony of Tim Stroshane (RTD-10 Pp. 49-51), Which Sets Forth RTD's Recommendations for Permit Conditions. Is Relevant to the Issues Before the Board in Part 1.

In its October 30, 2015 hearing notice, the Board identified the following issues for consideration in Part 1 of this hearing: (1) whether the changes proposed in the Petition in effect initiate a new water right; and (2) whether the proposed changes cause injury to any municipal, industrial or agricultural uses of water, including associated legal users of water. (California WaterFix Project Pre-hearing Conference Ruling (Feb. 11, 2016) at p. 10; California WaterFix Hearing – Ruling on Written Testimony Outside the Scope of Part 1 and other Procedural Matters (Oct. 7, 2016) at p. 2.) With respect to the Board's inquiry into whether the proposed changes would cause injury to any municipal, industrial, or agricultural uses of water, the Board specifically requested testimony and evidence regarding whether the proposed changes in points of diversion alter water flows in a manner that causes injury to these uses of water and, if so, what specific conditions the Board should include in any approval of the Petition to avoid injury to such uses. (See id.) Despite the Board's clear invitation of evidence relating to specific conditions it should include in any approval of the Petition to avoid injury to municipal, industrial, or agricultural users of water, SVG objects to RTD's recommendations in Mr. Stroshane's testimony at RTD-10 pp. 49-51. (SVG Objections at 4.) The only basis SVG offers for its objection is that the "evidence is not relevant to the [Board's] consideration under Water Code Section 1702 and the Part 1 issues identified by the [Board] for Part 1. (SVG Objections at p. 3.) SVG suggests that this testimony instead concerns "environmental and recreational uses, flow requirements, the economic feasibility of WaterFix and various statutory requirements that have no bearing on the issues set out by the Board in Part 1." (See id.) The recommendations fall squarely within the Board's specified evidentiary parameters.

In Mr. Stroshane's testimony, RTD offers recommendations largely focused on ensuring consistent protections for the regional water rights of Delta water users and setting reasonable construction deadlines for Petition Facilities. (See e.g. RTD-10 at pp. 50-51 [¶ 156].) The facts provided by Mr. Stroshane in the paragraphs preceding RTD's recommendations, set forth in

paragraph 156, to which SVG also objects, summarize the context in which these and RTD's additional recommendations as made.

RTD is entitled to offer these recommendations both as a Protestant to the Petition and in keeping with the Board's statements regarding the scope of the issues in Part 1. Thus, SVG's objections that these recommendations are irrelevant to the issues before the Board are meritless. SVG's objection to RTD-10 at pp. 49-51 should be overruled.

B. SVG Mischaracterizes as Legal Opinion the Testimony of Tim Stroshane at RTD-10 Pp. 9-11 and 19-20, Which Consists of Facts Relevant to the Question Whether the Petition in Effect Initiates a New Water Right.

SVG objects to statements made by Mr. Stroshane regarding the absence of any description of Petition Facilities in existing beneficial use authorizations or water rights permits, found in RTD-10, at pp. 9-11 and 19-21, on the basis that these convey inadmissible legal opinions. These objections are baseless attempts to foreclose arguments made in RTD's Protest. This testimony relates directly to the question of whether the Petition initiates a new water right. Mr. Stroshane's reference to existing water rights authorizations in permits issued via the State Water Project or Central Valley Project is key to RTD's position that the Petition would in fact initiate a new water right. This testimony is not only offered in response to the Board's rulings regarding the scope of issues in Part 1 but also in direct response to arguments presented by DWR to support its position that the Petition would not initiate a new water right or injure legal users of water.

Mr. Stroshane does not purport to be a lawyer or to offer legal conclusions. However, this is a legal proceeding, in which the laws and regulations regarding change petitions, water rights, and beneficial use are directly at issue and are highly relevant. Precluding Mr. Stroshane, or any other witness, from grounding testimony in the appropriate legal framework would be senseless and highly prejudicial, as it would impede any party's ability to present a persuasive argument regarding the central issues before the Board.

SVG's position that Mr. Stroshane should be precluded from offering this testimony is inconsistent with the Board's rulings and would thwart protestants' ability to present relevant evidence regarding the central issues here. For these reasons, SVG's objections to RTD-10 at pp. 9-11 and 19-20 should be overruled.

C. SVG's Objection to the Inclusion of RTD-131 Is Misguided and Should Be Denied.

RTD offers RTD-131 in support of its recommended permit conditions, specifically those conveyed by Mr. Stroshane in his testimony at RTD-10 pp. 49-51. This exhibit is relevant and admissible for the reasons described above regarding the testimony it supports. Despite SVG's claims to the contrary, this exhibit is offered to support the recommendations in Mr. Stroshane's testimony that address the issue of whether granting the Petition would, in effect, create a new water right and provides an evidentiary basis for RTD's position that the Board should conduct an analysis of the availability of new water rights prior to issuing a decision on the Petition. The exhibit is thus entirely relevant to the issues before the Board and central to RTD's case in chief. Accordingly, SVG's objection to RTD-131 as irrelevant to the issues in Part 1 of this proceeding should be overruled.

IV. CONCLUSION

SVG refuses to acknowledge the Hearing Officers' clear ruling that environmental justice concerns are to be heard in Part 1 and asserts unfounded boilerplate objections to RTD's evidence on precisely that subject. SVG also requests to have the Board exclude evidence that RTD offers regarding the central question of whether granting the Petition would entail a new water right – an issue that the Board's Hearing Notice expressly identifies as a topic to be addressed in Part 1. These attempts to prevent RTD from offering evidence regarding the creation of a new water right and the significant injuries that granting the Petition would cause to environmental justice communities and other Delta residents must be rejected.

Respectfully submitted,

Dated: December 2, 2016

Trent W. Orr

A. Yana Garcia Earthiustice

Attorneys for Restore the Delta

STATEMENT OF SERVICE

CALIFORNIA WATERFIX PETITION HEARING Department of Water Resources and U.S. Bureau of Reclamation (Petitioners)

I hereby certify that I have this day submitted to the State Water Resources Control Board and caused a true and correct copy of the following document(s):

RESTORE THE DELTA'S RESPONSE TO SACRAMENTO VALLEY GROUP'S AND JOINING PARTIES' OBJECTIONS TO PROTESTANTS' WRITTEN TESTIMONY AND EXHIBITS

to be served **by Electronic Mail** (email) upon the parties listed in Table 1 of the **Current Service List** for the California WaterFix Petition Hearing, dated November 15, 2016, posted by the State Water Resources Control Board at http://www.waterboards.ca.gov/waterrights/water_issues/programs/bay_delta/california_waterfix/service_list.shtml

I certify that the foregoing is true and correct and that this document was executed on December 2, 2016.

Signature: Wall

Name: John W. Wall

Title: Litigation Assistant

Party/Affiliation: Protestant, Restore the Delta

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